

needs they have to meet for families because they are spending all their money, literally, to fill their cars with gasoline and to pay for the high cost of energy. It is affecting literally every sector of the economy.

South Dakota, as my colleague from Wyoming spoke to earlier, is a vastly rural State and sparsely populated, heavily dependent upon transportation. The energy issue impacts in a dramatic way our ability to grow our economy and create jobs. I hope the debate today will include more than only a narrow issue and will get to the fundamental issue of supply and demand, that we can have an open debate in which we may offer amendments so this issue will be addressed.

The PRESIDING OFFICER. The Senator from New York.

Mr. SCHUMER. I believe our side now has the next half hour. I yield myself 20 minutes and 10 minutes to the Senator from New Mexico, Mr. BINGAMAN.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SCHUMER. I request the Chair to alert me when I am halfway through.

The PRESIDING OFFICER. The Senator will be notified.

Mr. SCHUMER. Mr. President, I rise to speak on two issues, both pending before us, both vitally important to the economy. One is energy, one is housing.

We all know the pain Americans experience. We all know the price of gasoline. In New York, people are already anticipating, with fear in their hearts, the price of home heating oil to heat their homes in winter. Everywhere else the costs of energy are driving prices higher, creating a middle-class squeeze.

We had a hearing at the Joint Economic Committee yesterday. Elizabeth Warren, a professor at Harvard, outlined that squeeze. The average middle-class person is hurting. They have built up a good life for themselves. Now they are hurting because, on the one hand, their income is not going up—productivity is but income is not—and at the same time their costs are going much higher than the rate of inflation. So they are caught in a vise—income declining, prices increasing.

This Friday night, there will be millions of Americans who, after dinner, husband and wife, will be sitting around the table talking about the things they care about, their children and their futures, their health. But probably the No. 1 topic will be, how the heck are we going to pay the bills.

Democrats are here to try and finally, after 7½ years of being dominated on the energy debate by oil, oil companies, oilmen in the White House, change the debate. The other side has a simple solution. It gets modified every couple of years, but it is basically the same. Do what big oil wants. When the price is low, give them subsidies. When the price is high, make sure they don't pay much in taxes. All throughout,

focus our energy economy on oil, because that is what the big oil companies want.

Rex Tillerson, the head of ExxonMobil, came before the Judiciary Committee a year and a half ago and said: ExxonMobil does not believe in alternative energy. I guess if I were ExxonMobil, I wouldn't either. Because as demand goes up and supply stays relatively flat, the price goes up and the profits go up. I have been asking, what do the big oil companies do with their profits. A huge percentage goes not into new exploration. They say they want to explore, but a majority of the money, in some cases, and a plurality, in most, goes to buying back their stock to raise the share price for themselves and their shareholders. This idea that oil companies are eager to explore is belied when we look at their financial statements. They are buying back their stock. It doesn't create one drop of oil. For the limited number of people who have ExxonMobil stock, that is a godsend. For the rest of us, it squeezes us even more. Chevron does it. BP does it. They all do it, with billions and billions of dollars. I believe last year ExxonMobil took \$29 billion to buy back their stock.

I challenge my colleagues on the other side of the aisle, if they are so eager for exploration, why aren't they putting that \$29 billion into exploration? But they are not. Again, we have the answer from the other side: Big oil today, big oil forever.

The American people know we are not going to drill our way out of this crisis. Even if the oil companies wanted to—and statistics show they do not—we don't have enough oil to prevent the price from going up, because demand worldwide is dramatically increasing, in China, in India, in the Middle East. The number of new cars in China and India in a short while will exceed the total number of cars in America, in 10 years, 15 years. Imagine that, new cars in China and India competing with us to buy gasoline. Obviously, the price will go up.

When our majority leader repeats over and over that we have 3 percent of the reserves and 25 percent of the consumption, there is no way to reduce prices significantly in the long term other than to get off our dependency on oil. So drilling is not the answer. Yes, in certain places, it may help. We are not opposed to that. I proudly went to the Republican majority, got Democrats to vote for drilling in the gulf. But it is not going to solve our problem. It will ameliorate it a tiny little bit in certain places, if you drill in the gulf and places near refineries.

The answer is to wean our dependence from foreign oil and tell OPEC and Chavez in Venezuela and Iran to take a hike because we don't need them anymore. They can't have their hands around our necks any longer—economically, politically, or geographically.

The good news is, we can do that. We can do that on both sides of supply and

demand. That is what we Democrats are attempting to do. We are attempting to help get an electric car. Electric cars, no gasoline, will ride as smoothly and as well but much more cheaply than our present cars. They are not these little golf carts you drive around. You can have a big SUV with a battery that goes 250, 300 miles, same as a tank of gasoline, and drives with the same speed and the same power and the same torque. We are not too many years away from that, if we help create the battery. They have the battery. It just has to be mass produced. We need some research to get that done in a cheap enough way so that the price of cars stays the same while the price of fueling the cars goes down.

Senator BINGAMAN will be here shortly. He put one of my proposals in the Democratic proposal for housing conservation when you build. Forty percent of our energy is consumed not driving cars but cooling and heating homes, air conditioning and heating. If we were to adapt conservation measures, that could dramatically drop. One State has done it, California. California's energy consumption is lower than just about any other State, even though they are a car culture. Why? Because in 1978, under Governor Jerry Brown, whom many regarded as "Governor Moonbeam," this was an excellent idea that has proven successful; they put conservation in building standards for homes and offices. Now, in terms of buildings, their per capita consumption of energy is about what Denmark's is. Why don't we do it nationwide?

Then there is alternative energy. There was an op-ed in the Washington Post by an oilman, someone I know named Jim Tisch, who said that now it is profitable to do wind power, solar power and other kinds of power and take our dependency off oil and gas.

We can both increase supply and decrease demand, reduce the price, if we embark now on a program of change. When we have tried to do this, our colleagues on the other side of the aisle have said no. Why? The big oil companies don't like it. Some of the big utilities don't like it. The big special interests don't like it. But they are doing great. It is the average middle-class person who needs the help.

The equation is simple. I will put it in stark terms, but I think it has to be put that way: Republicans, big oil, the past; Democrats, alternatives, the future. Let me repeat that. Republicans, big oil and the past; Democrats, alternatives and the future. Every American knows which side we want to be on.

I am sorry they have decided not to accept Majority Leader REID's generous offer and take their proposal and our proposal and debate them. We will do that any day of the week. I am sure Senator OBAMA is eager to debate Senator MCCAIN, who is following in the big oil footsteps of George Bush and DICK CHENEY.